

**Virginia Litter Control and Recycling Fund Advisory Board
Department of Environmental Quality
629 East Main Street, Richmond
2nd Floor Conference Room A**

September 8, 2011

Draft **Minutes**

Board Members Present:

Dennis Gallagher, Chairman
Aimee Hart (Via teleconference)
George Hunnicutt
Clara Mills
George Peyton

Department of Environmental Quality (DEQ) Staff Present:

Sheila Barnett
Ann Regn
Chris Moore, DEQ Finance Division

Guests Present:

Jen Cole, Fairfax County
Pamela Gratton, Fairfax County

Chairman Gallagher determined a quorum was present and called the meeting to order at 10:30 a.m.

Mr. Hunnicutt moved and Mr. Peyton seconded, for approval of the September 8, 2011 meeting agenda. MOTION CARRIED.

Mr. Peyton moved and Ms. Mills seconded, for approval of the minutes for the April 15, 2011 Litter Control and Recycling Fund Advisory Board meeting. MOTION CARRIED.

Fund Status Report

Mr. Moore, Director of Finance, presented the DEQ Fiscal Report. Mr. Moore reported that the cash ending balance as of June 30, 2011 is \$1,915,374. The previous year, Fiscal Year 2010, the higher cash ending balance of \$2,104,603 was due to a one-time tax amnesty that resulted in higher receipts that year. For Fiscal Year 2012 the total amount available for non-competitive grant allocations is \$1,522,627. The total amount available for administrative expenditures is \$137,746 (five percent allocated to Virginia Department of Environmental Quality). The General Assembly is planning to take

\$255,000 as an authorized budget reduction, and is scheduled to transfer \$16,708 to the general fund of the state treasury this fiscal year.

The board questioned why the cash balance at June 30, 2011 was negative (\$15,995) in the grants section.

In an attempt to reduce the amount of unspent grant funds last year, Ms. Barnett added the unspent grant funds from the previous fiscal year to the total grant allocation given out at the Board meeting. However, this basically resulted in a double-payment of those funds, which caused this negative cash balance (see below for further explanation). Mr. Gallagher said that he, Mr. Hunnicutt, and Mr. Moore will form a sub-committee to work with the Department of Planning and Budget to explore this issue to see what can be done to reallocate unspent funds in the same fiscal year rather than having the funds sit until the following year.

Update as of September 20: *since the Board meeting, Ms. Barnett, Mr. Moore and two fiscal staff have continued to explore the individual grant calculations from a year ago. The grant allocation file uses a calculation factor each year to ensure that the full amount available is allocated each year, by locality, after adjusting for mileage and population. This factor was increased last year after deducting out the unspent grant funds from the previous FY year, which is the correct procedure for the allocations. However, in addition to changing the factor to give out the unspent grant funds, an additional amount--(i.e. the "unspent" grant funds reported by localities on their current Accounting Reported)-- was added to the total grant allocation and distributed to localities. So, in effect, the unspent grant funds from the previous year were allocated and given out twice last year. This issue has been resolved and has been corrected for the current fiscal year.*

Mr. Gallagher stated that the \$255,000 "grab" appears to have become institutionalized and recommended that the General Assembly be challenged on their need to take these litter funds out of the program because the litter tax is a voluntary tax.

Mr. Gallagher expressed concern that if the administration fund becomes larger, the greater the potential for the General Assembly to dip into those funds. Ms. Mills suggested that if DEQ does not need all of the 5 percent allocated for administration of the Fund, that the amount of the allocation to DEQ, could perhaps be changed to 3 or 4 percent.

Mr. Moore said that DEQ is looking at the possibility of stream lining the grant application and accounting functions into an electronic process to reduce staff time and give localities access to their records electronically. DEQ would use the administrative funds to develop such a system but the cost to develop a system is unknown at this time. Mr. Hunnicutt questioned if savings would be realized in the long run and cautioned expending many funds for only 200 applications. Ms. Mills will head up a sub-committee to review the possibility of electronic applications and Ms. Regn will report on potential systems benefits and costs.

Old Business:

Special Projects:

Household Hazardous Waste Collections in Virginia:

Ms. Regn stated that the Drug Enforcement Agency is hosting another unused drug take back program on October 29. She said that DEQ will send notification to the litter, recycling, and water contacts on DEQ's contact lists. DEQ has a list of counties and contacts in Virginia that host HHW collection events, but the list is out of date. Ms. Mills will work on getting updated HHW information to be reposted on the DEQ website.

City of Alexandria Project:

Mr. Peyton reported that the pilot plastic bags take back program that the Fund Board provided seed money for in the schools has continued.

Isle of Wight Project:

Ms. Hart said that the program that the Fund Board provided seed money for is still going, but has slowed down. Trex is still supporting an award program for schools that collect the most plastic bags and Isle of Wight is still using the bailer.

Virginia Beach Requests:

Virginia Beach submitted two requests for spending their litter grant funds in unique ways. Ms. Hart and Ms. Mills formed a subcommittee to consider those two projects. The subcommittee voted not to approve the scholarships for high school students who produced winning videos about litter and recycling and the other pertained to planting grass seed to stop litter from entering waterways. The subcommittee recommended that Virginia Beach ask a local nursery if it would be willing to donate grass seed for the litter project. If not, then Virginia Beach could use their grant funds to purchase the seed. Ms. Barnett followed up with Virginia Beach regarding these requests. No further action was needed.

Webinars:

Ms. Barnett conducted six webinars for 28 attendees. The webinars were about how to apply for the litter grant and step-by-step directions for how to complete the electronic version of the performance report. The Board thanked Ms. Barnett for providing this service to the litter program managers. Ms. Barnett will conduct webinars again next year.

Big Book of Litter:

Ms. Barnett ordered 225 books from the Virginia Department of Corrections and sent one book to the Grant Administrator in each locality. She also sent books to the Fund Board members. Ms. Mills requested that Ms. Barnett order an additional 50 books. Ms.

Barnett will bring 25 books to the Virginia Council for Litter Prevention and Recycling (VCLPR) conference in October and will keep 25 copies to give to new litter program managers. To keep the books fresh, Ms. Barnett will send a packet of updated and new information to each grant administrator in the spring to be added to their Big Books of Litter Information. The cost for 225 books was \$1,732 and the postage came to \$1,069.

New Business:

Litter Letter to the *Richmond Times-Dispatch*:

Katie Register, Clean Virginia Waterways, wrote an editorial for the *Richmond Times-Dispatch* about litter. The following statement was published in the article: *In Virginia, community litter prevention and recycling programs are supported by a “litter tax” paid by manufacturers, distributors and retailers of soft drinks and beer.* Ms. Barnett sent an email to thank Ms. Register submitting the editorial. Ms. Register replied that she had included information about DEQ’s litter and recycling resources, but the *Richmond Times-Dispatch* condensed letter. Mr. Gallagher will submit a follow-up letter to the *Richmond Times-Dispatch* referencing local programs and DEQ’s litter and recycling resource web pages.

Non-Competitive Litter Prevention and Recycling Grant Information:

Twenty-two localities reported a total of \$17,231 in unspent grant funds. **Mr. Hunnicutt Moved and Ms. Mills seconded to deduct the \$17,231 in unspent grant funds from the localities that did not spend all of their money. MOTION CARRIED.** These unspent funds have been reallocated and disbursed this current fiscal year among all of the localities that applied for a grant.

The Town of Stephen’s City did not spend any of their Fiscal Year 2011 litter grant of \$981. **Mr. Hunnicutt Moved and Mr. Peyton seconded to send an invoice to Stephen’s City for the \$981. MOTION CARRIED.**

As the deadline approached for the applications, Ms. Barnett emailed 44 localities and called 26 of those that did not respond to her email. *As a result there were no late applications!* There were only five local governments out of a possible 324 local governments that did not apply for the grants. Ms. Barnett attributed the increase in applicants to the webinars and her sending each locality a cover letter, application, accounting report, and Big Book of Litter Information.

Eight localities were late in submitting their accounting reports. **Aimee Moved and Mr. Peyton seconded to award these localities their litter grants this year. MOTION CARRIED.**

Good of the Order:

Mr. Gallagher said that the Governor’s Commission is still reviewing restructuring state boards and believes that the commission will recommend the elimination of the Litter

Control and Recycling Fund Advisory Board.

Mr. Gallagher stated that the litter grants should be out by September 23, 2011.

Adjournment:

Mr. Peyton moved and Mr. Hunnicutt seconded to adjourn the meeting at 12:20 p.m.
Motion carried.

Submitted by: Sheila Barnett

Date: September 22, 2011